



Order under Section 57 Residential Tenancies Act, 2006

Citation: Arnaud Baker v Scace, 2026 ONLTB 10922

Date: 2026-02-05

File Number: LTB-T-021837-25

In the matter of: E3, 50 Third Street
Orangeville Ontario L9W2B1

Between: Susan Arnaud Baker Tenants
Jeff Cook

And

Orsolya Scace Landlords
Michael Scace

Susan Arnaud Baker and Jeff Cook (the 'Tenants') applied for an order determining that Orsolya Scace and Michael Scace (the 'Landlords') gave a notice of termination in bad faith.

This application was heard by videoconference on January 29, 2026.

The Landlords Orsolya Scace on behalf of both Landlords, and the Tenants Susan Arnaud Baker on behalf of both Tenants attended the hearing.

Determinations:

1. As explained below, the Tenants proved the allegations contained in the application on a balance of probabilities. Therefore, the Landlords must pay the Tenants what is ordered below.
2. Subsection 57(1)(a) of the *Residential Tenancies Act, 2006* (the 'Act') requires the Tenants to prove each of the following on a balance of probabilities:
 - The Landlords gave the Tenants an N12 notice of termination under s.48 of the Act;
 - The Tenants vacated the rental unit as a result of the N12 notice of termination;
 - No person referred to in ss. 48(1) of the Act occupied the rental unit within a reasonable time after the Tenants vacated; and
 - The Landlords served the N12 notice of termination in bad faith.
3. The first three parts of the test are not in disputed. The question before me is did the Landlords serve the notice in bad faith.
4. In *Salter v. Belijinac*, 2001 CanLii 40231 (ON SCDC), the Divisional Court determined that a Landlord satisfied the "good faith" requirement to terminate a tenancy where the

person identified in the notice of termination genuinely intends to occupy the rental unit for residential purposes.

5. In *Elkins v. Van Wissen*, 2023 ONCA 789, the Court of Appeal for Ontario found that the Board must consider all the evidence before it that is relevant to the landlord's bad faith under s. 57(1). It is an error of law for the Board to restrict its consideration good faith to the evidence at the point in time when the landlord gives the tenant the termination notice.
6. In this case, and for the reasons below, I find the Tenants proved all of the requirements in subsection 57(1)(a), including that the Landlords gave the notice in bad faith.
7. There is little dispute that the Orsolya Scace's mother, who was to occupy the rental unit, did not move in.
8. The Tenant Susan Baker ('SB') provided evidence that after she moved out, neighbours watched to see if anyone moved in and took pictures, or she visited the unit herself to take photos in the spring and summer of 2024. She observed that the rental unit remained empty, with the windows covered with sheets. The evidence is the Tenants' bed frame remained outside leaning against the house for a few months, the lawn was unkempt and windows remained covered. It does not appear that anyone was preparing to move in.
9. Orsolya Scace ('OS') testified that her mother initially did not move in because renovations had to be completed. She described the need to refinish the floors, paint, clean and replacing light fixtures. She gave no timelines or quote as to the work contracted, or when it would be completed.
10. Painting, cleaning and floor refinishing do not take much time. Given the Landlords are in the business of being a landlord, has four buildings, and works with trades regularly, I expect their contractors know how to move quickly, and they would have had timelines. Instead, no one moved in and the unit was re-rented over a year later to new Tenants.
11. Although OS provided testimony that her mother had a stroke in May, which then further delayed moving in, she provided no documents to support that claim, and did not rely on this as the reason for her mother not moving in. Instead, she stressed that the unit was necessary for her mother to gain independence, be close to hospital, doctors and be able to walk everywhere instead of living out in the country.
12. The main reason provided for why OS's mother did not occupy the rental unit is because OS claims her mother felt extreme anxiety over the SB observing the unit, or neighbours doing so. OS stated it was not a safe situation to put her mother in. Her mother did not testify to this anxiety herself, nor attend to be cross-examined by the SB. No supporting documentation as to her mother's anxiety as a result of this was provided.
13. OS claimed neighbours told her of the SB's visits, and one particular neighbour was confrontational and stopped paying rent. OS provided no supporting evidence that this is the reason why that person was confrontational and failed to pay rent and gave no detail or particulars of when this happened.
14. I find the OS's reasoning improbable and reaching. She agrees she could have called police or sought a peace bond if there was a concern over the SB's behaviour. She

pointed to no specific event, date or time when the SB behaved in a way that would cause fear, or anxiety.

15. It is clear that by August 14, 2024 the Landlords revealed her mother would not move into the rental unit, but she agrees she took no action to remedy the situation to make it possible, which leads me to question the genuine intention to ever move in.
16. OS produced an email thread with SB, starting in June through August of 2024. Nothing about the Tenants monitoring the rental unit was discussed until August 14, 2024. In the email thread OS told the SB on August 14, 2024 that her mother was 'completely terrified to move in knowing that you were returning frequently and peeking in the windows'.
17. Photos produced by the SB of the rental unit were taken largely at a distance from the backyard and were of perhaps 4 separate occasions over the year. SB could not recall when they were taken but it appears summer had begun. The windows were covered and could not be 'peeked into'. There is no evidence anyone approached the windows.
18. The Landlords have the obligation to ensure the person they name in the N12 notice of termination, occupies the rental unit within a reasonable period of time after the Tenants vacate the rental unit. In this case the Landlords did not do that. OS provided no reasonable change in circumstances sufficient to justify not moving in promptly after the Tenants moved out. Indeed, had the OS's mother moved in promptly after renovations, in either May or June, the SB would not have been at the rental unit in the summer to take photos to observe if the OS's mother had moved in.
19. I do not accept therefore that the Landlords' circumstances legitimately changed sufficient to prevent the mother from occupying the rental unit in a reasonable time after the Tenants vacated. Changing one's mind because the Tenants were monitoring and upset that no person moved into the unit is insufficient reason. Moreover, if OS's mother had such anxiety that she herself had no genuine intention to move into the rental unit, the N12 Notice should not have been served.
20. I have considered that the Tenants were paying \$950.00 for the 2-bedroom rental, significantly below market rent to be motivation for eviction. OS claims they lost over \$20,000.00 by having the unit empty, but I note the Tenants' rent would have generated only an \$11,400.00 income for the year. The exaggeration suggests OS means increased rent from a new Tenant. Further, if the Landlords' circumstances had in fact legitimately changed it is more probable they would have simply re-rented the unit.
21. Accordingly, based on the evidence before me, I find that the Tenants have proven on a balance of probabilities that the Landlords served the N12 notice of termination in bad faith.

Remedies

Rent Differential

22. The Tenants claims a rent differential for 12 months between the new rent of \$2,500.00 and her old rent of \$950.00. They had to pay rent for her new unit from March 1, 2024 although they didn't move until March 6, 2024. Their new rental unit was bigger, had a third

bedroom and was on the main floor of a house. However, they lost the benefit of walking to amenities and had to sell furniture to afford the move. There were few options and choices available to them at that time. Therefore, I find that the Landlords must pay the Tenants **\$18,600.00** for the increased rent that the Tenants have incurred for a one-year period after the Tenants moved out of the rental unit.

Moving Costs

23. The Tenants claims moving costs in the amount of \$1,237.35 to move their belongings with a moving company. A receipt was provided and I'm satisfied the amount is reasonable. Therefore, I find that the Landlords must pay the Tenants **\$1,237.35** for the reasonable out-of-pocket moving, storage and other like expenses that the Tenants have incurred or will incur as a result of having to move out of the rental unit.

General Damages and Other

24. The Tenants are seeking an award for general compensation and other remedies. They ask to be awarded an what "they feel is owed to them" but stated no amount.
25. In *Beauge v. Metcap Living Management Inc.*, [2012] O.J. No. 1052 (Div. Ct.), the Divisional Court ruled that the Board's jurisdiction to grant remedies is limited to granting only those remedies an applicant claims in an application. I therefore have no jurisdiction to order an amount not claimed.

Administrative Fine

26. The Tenants also requested the Board order the Landlords pay an administrative fine for breach of the Act.
27. The Board's Interpretation Guideline 16 states that an administrative fine is a remedy to be used to encourage compliance with the Act and to deter landlords from engaging in similar activity in the future. This remedy is not normally imposed unless a Landlords has shown a blatant disregard for the Act and other remedies will not provide adequate deterrence and compliance.
28. In the present case, as the Tenants have been awarded a substantial monetary remedy, I find that this provides a sufficient deterrent. The request for an order for an administrative fine is denied.

It is ordered that:

1. The total amount the Landlords shall pay the Tenants is **\$19,890.35**. This amount represents:
 - \$18,600.00 for increased rent the Tenants have incurred for the one-year period from March 1, 2024 to February 28, 2025.
 - \$1,237.35 for the reasonable moving, storage and other like expenses that the Tenants incurred as a result of having to move out of the rental unit.

- \$53.00 for the cost of filing this application.
2. The Landlords shall pay the Tenants the full amount owing by February 16, 2026.
 3. If the Landlords do not pay the Tenants the full amount owing by February 16, 2026, the Landlords will owe interest. This will be simple interest calculated from February 17, 2026 at 4.00% annually on the balance outstanding.
 4. The Tenants have the right, at any time, to collect the full amount owing or any balance outstanding under this order.

February 5, 2026
Date Issued

Julie Broderick
, Landlords and Tenants Board

15 Grosvenor Street, Ground Floor
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If you have any questions about this order, call 416-645-8080 or toll free at 1-888-332-3234.